



CAMBRIDGE RETIREMENT BOARD

255 BENT STREET, 3RD FLOOR, CAMBRIDGE, MASSACHUSETTS 02141

(617) 868-3401 • FAX (617) 868-3477 • www.cambridgeretirementma.gov

Daniel C. Crane
Appointed Member

Michael P. Gardner
Appointed Member

James H. Monagle
Ex-Officio

Bradford P. Tenney
Elected Member

Anne C. Leduc
Elected Member
Executive Director

July 17, 2006

City Manager Robert W. Healy
Cambridge City Hall
495 Massachusetts Avenue
Cambridge, MA 02139

Dear City Manager Healy:

At the regular scheduled meeting of the Cambridge Retirement Board held on, July 10, 2006, it was voted unanimously to accept the provisions of Chapters 55 and Section 3 of Chapter 64 of the Acts of 2006 (attached).

This provision allows for an increase in the accidental death benefit for surviving children of retirees who have died as a result of job related disabilities. The increase in the benefit is calculated in such a way as to make it equal to the same benefits that are now provided to the dependent children of living accidental disability retirees. Because of an anomaly in how the statutes are written, the benefit for children of accidental disability retirees has increased over the years while the same benefit for the children of retirees who died as a result of the disabling condition for which they retired has remained frozen. Thus it is the view of the Cambridge Retirement Board that this change is appropriate in terms of basic equity. I have included a brief description of the definitions for surviving dependent children, accidental disability provisions and accidental death provisions in order to further explain the matter.

This is not an expensive change in benefits and will not burden the Cambridge Retirement System. The dollar amounts involved are modest and do not affect a large number of persons. Currently, the Cambridge Retirement System pays for two (2) surviving dependent children of deceased accidental disability Retirees. Currently the law allows an annual benefit of \$312.00 for the surviving children of retirees who have died of their disabling conditions. The new provision would allow an annual benefit of \$648.48, as is currently provided to dependent children of living accidental retirees. The increase of \$317.64 annually, for each dependent surviving child, would have little impact on the funding schedule of the Cambridge Retirement System.

In order to become operational, the provisions of Chapters 55 and Section 3 of Chapter 64 of the Acts of 2006 must be accepted first by the Retirement Board, then by you as the Chief Executive Officer and then by the City Council. Therefore, the Cambridge Retirement Board respectfully request that you approve acceptance of this statute and recommend its acceptance by the Cambridge City Council at their next regularly scheduled meeting, if possible.

Thank you for your consideration of this matter.

Sincerely,



Anne Leduc
Executive Director

Surviving/Dependent Child(ren) shall mean:

Unmarried children of such member who are under age eighteen or who were over said age and physically or mentally incapacitated from earning on the date of such member's DISABILITY or DEATH. Such benefit shall be paid only so long as such child survives, remains unmarried and is under the age of eighteen or, if over said age, remains physically or mentally incapacitated from earning or, if over said age and under age twenty-one, is a full-time student at an accredited educational institution.

Accidental Disability shall mean:

A member's permanent and total incapacitation that prevents him/her from performing the essential duties of the position, because of a personal injury sustained or a hazard undergone while in the performance of his/her duties at a definite time and place and without serious and willful misconduct on his/her part. After completing the application process with final approval of the Board and the Public Employee Retirement Administration Commission.

Accidental Death shall mean:

A member's death from causes found by the Board and the Public Employee Retirement Administration Commission, to be the natural and proximate result of the injury or hazard that was the basis of the Accidental Disability. After completing the application process with final approval of the Board and the Public Employee Retirement Administration Commission.

Chapter 55 of the Acts of 2006

AN ACT INCREASING THE ACCIDENTAL DEATH BENEFIT PAYABLE TO SURVIVING CHILDREN.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same as follows:

Paragraph (d) of subdivision (2) of section 9 of chapter 32 of the General Laws, as appearing in the 2004 Official Edition, is hereby amended by adding the following 2 clauses:-

(i) In the state employees' and teachers' retirement systems, the additional pension shall be fixed at a rate equal to the additional pension determined by the actuary under clause (iii) of paragraph (a) of subdivision (2) of section 7 and shall be increased by an amount equal to the percentage increase of the cost-of-living increase determination made by the general court for each year under section 102.

(ii) Any system which has adopted the supplemental dependent allowance under clause (iii) of paragraph (a) of subdivision (2) of section 7, may accept the provisions of this clause by an affirmative vote of the retirement board, ratified by the chief executive officer and legislative body as defined in paragraph (c) of subdivision (8) of section 22, and the additional pension shall be fixed at a rate equal to the additional pension determined by the actuary under said clause (iii) of said paragraph (a) of said subdivision (2) of said section 7 and shall be increased by an amount equal to the percentage increase of the cost-of-living increase determination made by the general court for each year under section 102. Any increased benefits provided by the acceptance of this clause shall be paid from the date of acceptance and shall not be paid retroactively. Acceptance of this clause may not be revoked. Acceptance of this clause shall be considered to have occurred upon the filing of certification of this vote with the commission.

Chapter 64 of the Acts of 2006

SECTION 3. Clause (ii) of paragraph (d) of subdivision (2) of section 9 of chapter 32 of the General Laws, added by chapter 55 of the acts of 2006, is hereby amended by inserting after the words "section 22" the following words:-but, in a regional retirement system, the "chief executive officer and legislative body" shall mean the regional retirement board advisory council.